



SPECIALTY CROP BLOCK GRANTS



What are specialty crops? Any crop other than wheat, feed grains, oilseeds, cotton, rice, peanuts and tobacco. It was not long ago that this nation's specialty crop industry, specifically defined as fruits, vegetables and tree nuts, were referred to as minor crops. This is no longer the case as the U.S. specialty crops industry now accounts for 52 percent of U.S. farm gate value (the value of all products after they leave the farm). They provide the healthy crops that our bodies need to help fight obesity and diet related diseases such as diabetes. California grows over 50 percent of the nation's fruits, nuts and vegetables.

What is the Specialty Crop Block Grant Program? On December 21, 2004, the Specialty Crops Competitiveness Act of 2004 authorized USDA to provide state assistance for specialty crops. The program was to be used by State Departments of Agriculture solely to enhance the competitiveness of specialty crops. These Departments aimed the grants towards activities that were of importance to specialty crop growers in their state. This block grant program touched more than 1,400 public and private organizations and generated \$45.2 million in matching funds from state and grant recipients. Each state tailored the grant to fit its industry's unique needs and circumstances.

What did California do with its 2004 grant money? California launched many successful initiatives and programs targeting marketing,

research, nutrition, food safety and pests and diseases, among other things. Some of the programs included the following:

The Buy California Grown Initiative was a marketing project set up to promote California agriculture. With ads and labels, it marketed California products to the public. The slogan, "Be Californian, Buy California Grown" targeted California to support its industry.

"In our first year of using CA Grown logo on our grapes, we sold more grapes to California retailers than the previous three years combined." said Cecelia Tudor of Tudor Ranch.

High Sierra Resource and Development Council worked with ranching families in the northern Sierra Nevada. Their project studied and taught family ranchers how to market their beef directly to consumers. The project allowed ranching families and technical experts to come together to evaluate consumers and customers preference for beef products.

Mariani Packing Company, an independent fruit processor, used the grant to promote its brand in Asia. It launched four new "co-branded" retail product lines with over sea distributors like the Wal-Mart and Costco overseas affiliates. Sales of California Dried Fruits to Asia increased by \$3.6 million. Mariani was also offered an exclusive offer to Wal-Mart/China to launch a U.S./California dried fruit section.

These are only a few examples of the impact the specialty block grant money has had on councils, companies and initiatives and helped keep California specialty crop producers competitive in the 21st Century.



Be Californian Buy California GrownSM

California Supports:

- Increasing funding and creating a permanent allocation for the Specialty Crop Competitiveness Act of 2004 to ensure an abundant and affordable supply of specialty crops for consumers. In developing criteria for allocations of block grant funding to states, caps on state allocations should be eliminated and allocations should be based on specialty crop production formulas.